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In re:

Empire Farms, Inc.

Debtor

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
TRENTON VICINAGE
CHAPTER 12
CASE NO. 10-35789-MBK

Honorable Michael B. Kaplan

**CERTIFICATION IN SUPPORT
OF TRUSTEE'S MOTION TO DISMISS**

PATRICK W. SMITH, of full age, hereby certifies:

1. I am the Senior Vice President of the Secured Creditor Highlands State Bank (“Highlands”). I am authorized to make this Certification on behalf of Highlands. I make this Certification based upon my knowledge of the books and records of Highlands and other matters of public record.

2. Highlands supports the Trustee's motion to dismiss this Petition. The Debtor Empire Farms, Inc. (“Empire”) did not file a Plan in a timely fashion and

has no excuse for its failure. The Chapter 12 Petition should, therefore, be dismissed as a procedural matter.

3. The foregoing notwithstanding, Empire did file what it purports to be a Plan, untimely, on December 1, 2010.

4. If the Court is inclined to consider the purported Plan, then it is urged that the Court should find same to be inadequate, unsupported and patently unfeasible, on its face.

5. Empire is the obligor or guarantor on three notes held by Highlands (the "Highlands Notes"). The Highlands Notes are secured by all of Empire's assets by UCC-1 filings and Motor Vehicle Lien filings. See: Proof of Claim Register No. 3. Total Claim \$823,910.00.

6. Two of the three Highlands Notes are also secured by real property owned by Raymond Bolzan, who is the principal of Empire. On November 30, 2010, Mr. Bolzan filed a Petition under Chapter 7 as Case No. 10-46964-DHS.

7. Under the proposed Chapter 12 Plan, Empire seeks to limit the value of Highlands' security to the items listed in Class V and VII which Empire arbitrarily values at only \$281,300.00.

8. The valuation of assets and the intention of the two debtors with regard to those assets are confused and convoluted by the two debtors. In Mr. Bolzan's Petition he estimates the value of certain motor vehicles at \$80,000.00. See Bolzan Chapter 7 Petition Schedule B page 2. Those same vehicles are valued in Empire's Plan Class V at \$39,000. See Exhibit.

9. Most confusing of all, Empire purports to deal with the personal debts of Raymond Bolzan to Highlands (which are secured by his real property) in the Empire Chapter 12 Plan.

10. Mr. Bolzan owns three parcels in Liberty Township: 19 Hope Road, 20 Hope Road and 21 Hope Road. Mr. Bolzan's debts to Highlands are secured by mortgages on 19 Hope Road and 20 Hope Road. Contrary to the statement in Empire's Plan at Class VI, Highlands holds no mortgage on 21 Hope Road.

11. Empire values the Liberty Township real property at \$328,000 (Plan Class VI) and yet in his own Chapter 7 Petition, Raymond Bolzan values his real property at \$998,650.00. Schedule D Sheet 1. See Exhibit.

12. Empire owns no real property yet Plan Class VI purports to cram down Highlands' secured interest in Mr. Bolzan's real property.

13. Finally, Empire shows no income sufficient to support even the nominal payments suggested by its plan.

14. For all of the foregoing, it is urged that the Court grant the Trustee's motion and dismiss the Chapter 12 Petition of Empire Farms.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: 12-10-2010

/s/ Patrick W. Smith
Patrick W. Smith, Sr. V.P.
Highlands State Bank